

**COUNCIL WORK MINUTES**  
**AUGUST 15, 2018**

The City Council held a meeting on Wednesday, August 15, 2018, at 5:30 p.m., in the Council Chambers, 10 North Main Street, Cedar City, Utah.

**MEMBERS PRESENT:** Mayor Maile Wilson-Edwards; Councilmembers: Ron Adams; Paul Cozzens; Terri Hartley; Craig Isom; Scott Phillips.

**STAFF PRESENT:** City Manager Paul Bittmenn; City Engineer Kit Wareham; City Attorney Tyler Romeril; Executive Assistant Barbara Barrick; Finance Director Jason Norris; Police Chief Darin Adams; Fire Chief Mike Phillips; Economic Development Director Danny Stewart; Public Works Director Ryan Marshall; Leisure Services Director Ken Nielson; Events Director Bryan Dangerfield.

**OTHERS PRESENT:** Gordon Goodall, Helen Englehart, Ken Englehart, Teri Kenney, Julie DeForest, Carol Ann Nyman, David Nyman, Christina Brown, Tammy Vogt, Eric Vogt, Tom Jett, Eric Jenkins, Wendi Jenkins, Courtney Braithwaite, Nic Braithwaite, James M. Aton, Vickie Wilson, Lorraine Jenkins, Russell Olsen, Diana Olsen, Aaron Lebaron, Melissa Adams, Judy Parrott, Beth Burnett, Jeanine Howells, Jim Howells, Betty Ann Heck, Jerry Heck, Rebecca Jorgensen, Mary Payne, Stevan Payne, Mark Kenney, Cindy Harris, Susan Pedersen, Julie Robbins, Jay Chapman, Valerie Chapman, Kathy Hunsaker, Rick Hunsaker, Jack Kiser, Christine Marx, Carson Taylor, Cindy Rehkop, Bradley Rehkop, Marion Allan, Norman Forbush, Keith Millett, Arlo Fawson, Mary Belle Royer, Robert Warren, Lorraine Warren, Linda Balduck, Tom Newbauer, Jamie Petersen, Leah Brown, Evan Jones, Andy Martin, Ethan Bunker, Carter Wilkey, Dan Camp, Elaine North, Shane Prestwich, Stacia Shipp, Karen Romney, Joe Melling, Victor Schafer Jason Ramirez, Trisha Anderson, Chad Anderson, Danna Webster, Brad Orton, Brad Anderson, Natalia Anderson, Janene Utterback, Candace Howes, Jeremiah Davis, Kevin Davis, Dallas Buckner, Michele Griffith, Stan Griffith, Brad Green, Brian Middleton, Don Oswald, Cheryl Walser, Tim Watson, Kay Davis, Vicki Christian, Bob Platt, Maria Twitchell, Enoch Seegmiller, Erik Jorgensen, Sandy Steele, Ted Holder, Jenifer Bunker, Janae Carpenter, Heather Middleton, Meleana Hunsaker, Len Gleim, Debbie Gleim, Wilford Collman, Mary Collmar, Lynn Dalton, Mike Shurtz.

**CALL TO ORDER:** Chief Mike Phillips gave the invocation; the pledge was led by Fire Marshal Mike Shurtz.

**AGENDA ORDER APPROVAL:** Councilmember Phillips moved to approve the agenda order with the deletion of item 6; second by Councilmember Cozzens; vote unanimous.

**ADMINISTRATION AGENDA – MAYOR AND COUNCIL BUSINESS; STAFF COMMENTS:** ■ Scott – Thanks to the Mayor taking care of the weed removal by the Fifth District Court. You moved very quickly. Secondly, I want to find out if we can have Staff work with the State and do what is necessary to see if a crosswalk is needed at 100

West and Center. There are a number of near-misses there with people coming to and from the Festival. Let's get that process moving forward.

**PUBLIC COMMENTS:** ■ Jerry Heck – I want to speak about the water ordinance. We weren't residents here when it was passed. We have a rental property in Cedar. My last renters stuck me with the water bill. I understand that when they go on to the next rental they can sign up for water. An easy answer would be if I got a copy of the bill. Maybe have people leave a deposit for the water too.

**PUBLIC HEARING TO CONSIDER A GENERAL LAND USE AMENDMENT FROM R-3 RESIDENTIAL TO MIXED USE FOR PROPERTY LOCATED AT THE INTERSECTION OF PARADISE CANYON ROAD AND SPRUCE STREET. PLATT & PLATT/TYLER ROMERIL:**

Bob Platt – I was here 2 months ago on this and I'll be brief. Presently the owner of the lot on the corner wants to build a 4-plex on the lot. There will be overflow parking, so we need to make it mixed use, which will accommodate a parking lot to take the overflow from the adjacent businesses. It is the same property owner for both pieces. The owners are okay with using it for parking. Mayor Wilson opened the public hearing There were no public comments, the hearing closed.  
Action.

**PUBLIC HEARING TO CONSIDER A TO CONSIDER A ZONE CHANGE FROM R-3 RESIDENTIAL TO MIXED USE FOR PROPERTY LOCATED AT THE INTERSECTION OF PARADISE CANYON ROAD AND SPRUCE STREET. PLATT & PLATT/TYLER ROMERIL:**

Bob Platt – This is the same thing but a formal request. Mayor Wilson opened the public hearing, there were no comments, the hearing closed.  
Action.

**CONSIDER A SINGLE EVENT PERMIT FOR THE ELKS HORSE SHOE TOURNAMENT TO BE HELD AUGUST 25, 2018. CANDACE HOWES:**

Candace - I am with the Elks lodge and it's horseshoe tournament time. This will take place between 1 and 5 or 6, and we'll just be throwing horseshoes like we usually do. Chief Adams – We've reviewed and approved the application and we appreciate what they do.  
Consent.

**PUBLIC HEARING TO CONSIDER ABANDONING A PORTION OF 800 WEST. GO CIVIL/TYLER ROMERIL:**

Arlo – We have a portion of 800 West and the City is moving away from the 66-foot road and will go to a smaller road for easier maintenance. It will handle the traffic there. Mayor – Everyone please speak up so the people in the hallway can hear. Scott – I noticed this in Planning Commission. I have question about narrowing the road with all the growth in the community. Are we wise to narrow the road? Kit – As we have discussed, during the last Master Plan change there was a change done to the Streets Master Plan to narrow them, based on traffic counts. It is felt it can handle future traffic. We have already approved part of the road where it intersects with Coal Creek at 55-feet. There is plenty of width there for two-way traffic and parking.

Scott – What is the projection of vehicles per day? Kit – It's 800 a day. Scott – I still question if we should be doing that. Mayor Wilson opened the public hearing, there were no comments, the hearing closed.

Action.

**CONSIDER APPROVING THE ROAD DEDICATION FOR 800 WEST AT APPROXIMATELY 800 NORTH. GO CIVIL/TYLER ROMERIL:** Arlo – This is the second part of the previous item.

Action.

**CONSIDER FINAL PLAT APPROVAL FOR THE SOUTH MOUNTAIN ESTATES PHASE 1 SUBDIVISION, 3300 WEST AND SOUTH MOUNTAIN DRIVE. WATSON ENGINEERING/TYLER ROMERIL:** (removed from agenda)

**CONSIDER AN AGREEMENT BETWEEN COAL CREEK IRRIGATION COMPANY AND CEDAR CITY. JOE MELLING/PAUL BITTMENN:** Paul – The agreement has a back story. Years ago, the City asked the Irrigation Company to move one of their irrigation structures further west to accommodate a rail spur and development there. It is now located on our Airport property just south of new terminal. From the outset, the Irrigation Company had issues on how the new structure made the water move from point A to point B. We tried various remedies over the years and nothing has met both of our needs. This agreement has 2 components: The Irrigation Company has done modifications to the split and if the City pays for them, we don't have to pay for future modifications. The Irrigation Company can deliver the water to us with our shares. We have about 680 shares and with the configurations that they have we can use them. If we want more future shares we will have to modify the configuration on our dime and they would have to agree with the modifications. This also documents past practices that were handshake deals. Joe – This was a handshake deal from before 1960, at least. Paul – It's easier for us to get our guys and our equipment on Airport property with the federal regulations than it is for the Irrigation Company to get on the property. We clean and maintain the channels every couple of years. This agreement documents that we will continue to do that. Hopefully we've been good partners in that for the last 60 years. Joe – I would add that Irrigation Company has over 18,000 shares and it delivers water from the College Farm all the way out to Enoch. It's a big irrigation company. Our obligation is make sure that all the shareholders get their portion of the water that comes to us. It's entirely a high water right which means some years there's not enough water and some years there's more than we can handle. It's worked better in the last few years with the channels by Enoch but we still need to work on it. When the creek is running high the sediment from this split builds up and it needs to get cleaned out. This is covered in the agreement. This has caused misunderstandings in the past. Paul – For our Staff, to clarify, the gates and everything on that split belong to the Irrigation Company and not to the City. There is one gate there that stops floodwater from flooding our facilities, we can operate that one, but we are agreeing to leave the rest alone and the Irrigation Company will run them.

Cozzens – Kit, are we still going to core drill that cab so we can get sufficient water to our recharge basins? Kit – No, not at this time. We'll see how things work during the

next run off season. Joe – I'm not sure that will be necessary and probably won't be until we get a good water year. If it is needed, from the Irrigation Company's perspective, the solution is to cut the lip off and put a little more angle on the grate that's there. Cozzens – We just didn't get what we usually get this year. Joe – Well, there wasn't any water. That split was put in about 2003 or 04 and the Irrigation Company made suggestions about modifications and it didn't get done in 15 plus years. That's when we said we can make it work, and if it doesn't we will take responsibility to modify it. So you're aware, we have shareholders that have to have water that pass their water time in the winter especially and if it's freezing up and going out in the ditches, your recharge is one of the places we have to put the water. Last year, for one, it wasn't cold enough to store it and there wasn't enough water where we thought we would have to run it somewhere else. That's the only way these people have to water their livestock and they are upset if they don't get it. They've got shares too. Unfortunately, the thing you learn first with water rights is that a good "stealing right" at the head of the ditch is better than the best water right at the bottom. If someone isn't there controlling this that's when people take that "stealing right" and that's what part of the misunderstanding has been. Cozzens – So does the 600 shares give us the 1800 feet we typically recharge in the wintertime, Kit? Kit, I'm not sure. Joe – This year Coal Creek Irrigation Company, for their 18,000 shares, it looks it will receive about 6 to 7000 acre feet. Craig – What is the \$11,000? Paul – That is the cost to the Irrigation Company to modify the split last winter and we are reimbursing them. Cozzens – That's where they changed the angle of the grate, Kit, to try to keep the debris off it? Kit – Yes. Cozzens – It seems like when they did that the velocity of the water cascades almost passed where we get it to the recharge basin. And that's when Kit said maybe they'd cut some holes to get a little bit more. But I understand what you are saying, Joe. Joe – But long term I think it would be better to modify and cut that loop a little bit.

Consent.

**CONSIDER A COOPERATIVE AGREEMENT BETWEEN SUU AND CEDAR CITY TO BUILD AND MAINTAIN A DISC GOLF COURSE IN THE THUNDERBIRD GARDENS AREA. DANNY STRAND/PAUL BITTMENN:**

Jason – We want to add a third disc course to Cedar City in the Thunderbird Gardens area. The high traffic from this course will help with the vandalism there. We have one at Three Peaks and that and the Ironside ones are wonderful, but this will be a shorter, family-friendly course. That's our proposal. Paul – For 5 or 6 years we have worked with the BLM to clean up this area. They are supportive of this idea. We'll let them use the land to put this up and we'll chip in \$5,000 to help with the cost. SUU will buy, install, and run this. Scott – Is there a fee to play? And who collects it? Jason – It's free, you just buy your own discs. Scott – What about the dirt road leading in? Are you looking at doing improvements? Paul – We have no plans. You will access it as if you are going to the Golf Course. Jason – The SUU Disc Golf Club has 150 members.

Consent.

**PUBLIC HEARING TO CONSIDER AN ORDINANCE RESTRICTING SHORT-TERM RENTALS IN THE R-1 ZONE. TAMMY & ERIC VOGT/TYLER ROMERIL:** Tyler – In early April, I was given direction to write an ordinance

**Proposed Amendment to Section 23-9  
(Q) of the City Ordinances  
Regarding:  
Residential Short-Term Rentals in  
R-1 Zone**

**Presented by Eric & Tammy Vogt  
Representing the Royal Hunte Ridge Subdivision  
Homeowners**

**August 15, 2018**

My name is Eric Vogt. I speak on behalf of a group of home owners in the Royal Hunte Ridge Subdivision. We remind people that do not live in R-1 zones, these issues do not affect your ability to continue renting as you are.

We propose an amendment to Section 23-9, (Q) of the City Ordinances regarding “Residential Short-Term Rentals.” The recent amendment allows nightly rentals in ALL residential Zones WITHOUT limitations, which we believe are in conflict with the city’s own definitions for R-1 Zoning. Here is the ordinance with our proposed change in RED

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**Slide # 1 – Proposed Ordinance Change**

**(Q). Residential Short-Term Rentals.**

(1) Residential Short-Term Rentals Defined: excluding Bed and Breakfast facilities, the use and/or commercial use of property located in a Residential Zone (~~R-1~~, R-2-1, R-2-2, R-3-1, R-3-M, RE, RA); by any person or entity; for occupancy, rent or lease; for the purpose of receiving compensation, money, rent, or other bargained consideration; for a term of thirty (30) consecutive days or less. As an exception, Residential Short-Term Rentals are permitted in all zones, **other than the R-1 zone**, for existing residential uses.

**Owners wanting to operate a Short-Term Rental in R-1 Zone need to go through [a still to be determined] process.**

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We are proposing to exclude the R-1 Zone from the ordinance and handle any nightly rentals in the R-1 zone through a variance or yet to be determined process. Last week at the Planning Commission we suggested a solution that includes capping capacity and applying for a home occupation. However we met with the home owners of the nightly rental and although they felt they could live with limitations, we realized that we are not planners, building inspectors or politicians writing ordinances; it’s not fair to the owners of the nightly rental for us to make those limitations any more than its fair for them to set their own occupancy in our R-1 neighborhood – that’s the job for our city’s professionals in those areas in conjunction with the residents affected.

Cedar City zoning laws were written in the era of boarding houses and is now being applied in an era of vacation rentals via the internet. However, the intent of the Zoning was clear.

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## SLIDE #2 Definition of R-1 zone

SECTION 26-III-2. R-1 Residential Zone. (A) Objectives and Characteristics of Zone:

The objective in establishing the R-1 Residential Zone is to encourage the creation and maintenance of a residential environment within the City which is characterized by large lots (at least 10,000 square feet) on which single family dwellings are situated, surrounded by well-kept lawns, trees, and other plantings. A minimum of vehicular and pedestrian traffic and quiet residential conditions favorable to family living and the rearing of children shall also be characteristic of this zone.

Representative of the uses within R-1 zone are one-family dwellings, parks, agriculture, playgrounds, schools, churches, and other community facilities designed in harmony with the characteristics of the zone. Boarding and lodging houses, two-family dwellings, triplexes, apartment houses and other multiple dwellings representative of higher density residential areas are strictly prohibited in this zone as are commercial and industrial uses and home occupations are strictly limited.

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Let's look at the city's definition of some of these terms

(19) Boarding House: A boarding house is a building or a portion thereof where, for compensation, rooms are rented with meals.

At the Planning Commission we were told that the "with meals" section means nightly rentals are not Boarding Houses, therefore they are allowed in an R1-Zone under the new ordinance. We think that is a sneaky loop hole around our R-1 Zoning so they can collect licensing fees and room tax – at the expense of the many and the benefit of the few. Now here is the city's definition of a hotel:

(75) Hotel: A hotel is a building designed for or occupied as the more or less temporary abiding place of individuals who are, for compensation lodged with or without meals.

The city does not have a definition for Lodging House, but the dictionary defines it as a "house in which rooms are rented". We have a lodging house or a hotel on our street which is "STRICTLY PROHIBITED".

The R-1 zone also precludes “Commercial” uses. The Webster’s definition of commercial is “relating to or engaged in commerce which is the activity of buying and selling of goods and services.

Recently, a couple purchased a large house in our neighborhood and has aggressively advertised it on most of the vacation rental websites, The AirBnB listing that I have here states that there are 29 beds with extra beds of floor mattresses and pullouts for an average \$580 a night, thus yielding a potential gross monthly income of \$17,400. Please look at the available dates and their prices. This is a significant commercial enterprise, regardless if the owners occasionally stay there, and regardless if there is full occupancy or not. According to the owners, its not a hotel but check-in is after 3:00 and check out is at 10:00!

The situation has resulted in issues with traffic, garbage, parking, fire ban violations, noise and safety concerns. Until you have lived next door to a vacation rental of this scale you can’t appreciate how this has destroyed the peace and harmony of the neighborhood.

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*Slide #3 BUS picture*



The neighborhood is in an uproar. We must resist the temptation to vilify the owners of the house because in fact they are smart, nice people who saw an opportunity created by the city and took it. They too are caught in a controversy created when the city wrote this ill-conceived short term rental ordinance in pursuit of fees and taxes, disregarding the clearly stated intent of the R-1 Zoning.

However, for those of us that chose to buy homes in R-1 Zones we did so under the rules established in R-1 definitions and have every right to the quiet enjoyment of our homes and protection of our investment. For most of us, in addition to being where we raise our families, our home is the single biggest investment that we possess. This situation affects our ability to sell our homes and depresses our homes values.

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My name is Tammy Vogt, I live in an R-1 zone and I'm a Realtor. I deal with property values daily. The Attorney for the Utah Association of Realtors recommends that sellers disclose to buyers if a house nearby is being used with such a high vacation rental capacity, to protect the seller from future lawsuits. How easy will it be to sell a home with a lodging house next to it? How much will the property values of surrounding homes plummet? Depressed home values will attract other investors wanting to do short term rentals for maximum return on their investment. This creates a vicious cycle.

This situation is political sleight of hand by which the city is trying to trade the equity in our homes for licensing fees and occupancy taxes to benefit the few - at the expense of the many. As we walked around Leigh Hill talking with neighbors about what is happening on our street, people were incredulous. I heard multiple variations of "They can't do that, this is a residential zone!"



What about the vacant lots in R-1? Someone can build a 10-bedroom “house” for nightly rental purposes with a potential occupancy of 50 people and completely circumvent the city’s Building Codes and Zoning using the existing ordinance Q. It would need to be built to the standards of a hotel if the true intent of the building was declared upfront. The construction requirements, the parking requirements, the fire safety requirements, the health department inspections and more, **would all be circumvented** to the detriment of our city. When the city has no limits on short term rentals, people will not limit themselves when there is this much money to be made.

The planning office tells us that R1 residences comprise about 10% of the total residences in the city. R-1 neighborhoods are sought after for this type of activity because of the investment we put into our homes - So the potential for loss is also the greatest in R-1. The time is **NOW** to enact necessary changes to the Residential Short-term rental ordinance. With the creation of vacation rental internet sites, investors are purchasing homes and converting them into Short-Term Rentals throughout the city. This is only the beginning. This battle will be fought in all R-1 neighborhoods if the city does not take action now.

HOA and CC&Rs have limited ability to help. Associations must be willing to take legal action and most CC&Rs were written prior to this type of activity. And why should HOAs and CC&Rs protect us from an activity that is already prohibited in an R-1 zone?

If the Council decides to allow short term rentals in R-1, it is imperative they do so with limits and input from planners, building inspectors, Fire Marshall and R-1 residents.

In closing we recommend that the ordinance be amended to exclude R-1 from the blanket permission for Night Rentals in all zones and explore appropriate limits that do not conflict with the R-1 Zone.

We thank you for the opportunity to represent our neighborhood and present our views tonight.

addressing short term rentals. Now they are required to get a City business license so we get our TRT collected. They are allowed in any residential zone. Since passing this ordinance we have had discussions with the Kenneys and they have developed an ordinance to restrict short term rentals. I was told that there are some citizens here tonight that are living in HOAs and they are concerned that these may be allowed. That is governed by CC & Rs and not City law. If you live in an HOA and have a concern, you need to see if your neighborhood's CC & R's restrict short term rentals.

Eric and Tammy Vogt – (See exhibit).

Craig – Tyler, clarify the accuracy of what is prohibited. Tyler – In Chapter 26, Article 1, there are the definitions. They define a boarding house as a lodging that provides meals. A short term rental doesn't provide meals. A lodging house has individual rooms and that doesn't fit short term rentals. These definitions were written 20 or 30 years ago and this is a new use. My advice to Council was, as it is currently written, they are allowed in the current ordinance.

Mayor Wilson opened the public hearing. Mayor – Please limit your comments to 3 minutes per person.

Brian Middleton: I am an Air B&B host in an R-2 zone. This would remove competition for me, but I think it's a bad idea. Up until last Tuesday the neighbors had not talked to the owners of this home. Their contact information was on the Air B&B sites and so they could have been contacted. As far the bus they mentioned, it unloaded in 45 minutes and it was a swim team. They have failed to mention the property rights of the people involved. They have a right to use their property as they want to be able to make money. They assigned nefarious behavior to the Council. You are apparently evil masterminds out for taxes. This is just enforcing the owners' right to make money from their property. I think there's a misconception about taxes. We pay taxes by default. All of us collect taxes and send them to the State and the City. Air B&B hosts are required to maintain high expectations, and are insured for 1 million per person who stays there. Air B&B's require hosts to comply with health, and safety, etc. Donna Johnson – I am the owner of the Iron Gate Inn, and I have the highest standard of cleanliness and safety. I am required to provide 1 parking space for each guest. I'm also a member of Air B&B. This is something near and dear to me. Air B&B is a problem all over the nation. One half of them in San Francisco were closed because they weren't licensed. I happen to be in a commercial zone in a mixed-use neighborhood, so I am operating according to the requirements of a hotel. I make sure that my street front is free of traffic and litter, which I think is part of the concern of the community. I have emergency evacuation plans and I have a fire suppression system. I also have a CO2 monitor. I am worried about what this will do and lower the standards of lodgings.

Len Gleim – I live in an R-1 zone. I am new to Cedar City, and I came from California which is over-regulated. I retired after 37 years from the Fresno Police Department and I was the variance investigations sergeant. A problem was trying to define what is residential and how it overlaps with business and it started with Air B&B's. In Fresno, we tried to look at the people living in the R-1 area and tried to keep a balance. I love it here and I don't want it to change. Cheryl – I live in an R-1 zone and I like the definition that was presented, and it represents my neighborhood. It's quiet and beautiful. I want to represent mothers and those raising small children. There is turnover in these places every night. They talk about a swim team which doesn't sound bad, but anyone can stay

there, and the turn over each night presents a problem for me and my family. Having that many people of any caliber in my neighborhood presents a problem. When we purchased our home, we had some options and we chose our neighborhood for the safety factor and the quiet. If you're raising a family, do you want to raise them near unrestricted amounts of people with a lot of turnover? Don Oswald – I am in the R-1 zone. But I represent my business and I manage two hotels in town. According to the Tourism Bureau, there are 900 Air B & B's in Iron County and they are not paying TRT according to Maria Twitchell. There are parking restrictions everywhere except for these types of businesses. We need a level playing area. Judy Higbee – I am a former inn keeper in Cedar. A few years ago I ran a B & B and had to jump through lots of hoops. I stay in Air B & B's and I don't think they should have a bad rap. If you consider carefully that whether we do it for the whole town or we don't do it. It's unfair to burden everyone else and I think it's discriminatory to take one part of town and set it aside. James Aton – I live on Ridge Road. I am in support of Tammy's proposal. I think these need to be excluded unless a variance is granted. The definition of an R-1 zone is quiet and geared toward the rearing of children. And it excludes lodging houses. Our neighborhood is in an uproar because a couple took advantage of the ordinance. This will cause havoc in R-1 zones in the future. What will stop developers from building mansions that sleep 50 people in R-1 zones? Real Estate is so cheap here and our ordinance is confusing. This is the tip of spear heading toward Cedar City. They will wreak havoc with our property values. We have two vacant lots on each side of us. What would happen to our house value if someone builds and puts in Air B & B's on both sides of us? Please address this and look to future. It can be fixed. Debbie Gleim - I live in an R-1 zone and I visit the Grind every day. I sat next to people recently and they said we want to come and buy 3 or 4 houses here for Air B & B's because it's cheap and there are no restrictions. I don't like restrictions, but if we don't stop it early this will not be our Cedar City, it will be Las Vegas Cedar City. It's terrifying. Cedar is growing, and we have to plan ahead. Brad Green – I grew up in an R-1 neighborhood and there were lots of cars and parking problems. People were raising families. I understand why hotels have a problem with Air B & B's as they have more taxes and regulations. TRT was great for marketing and now they have a high burden and there is a competition. Taxi companies didn't like Uber, but it is a superior product. Air B & B's are a classy thing. Are there problems? Yes. The problems exist in every aspect of City life, there is the nuisance ordinance and the noise ordinance to address this. Utah is Utah because we protect rights. If you want to be like California, regulate everything. Ty Christensen – I live in an R-1 zone and I have been trying to sell my home for 3 years. Who knew you could make that kind of money? I take pride in my neighborhood. I probably could sell it to someone who wanted to do this, but there are small children in the neighborhood and I take too much pride in my neighborhood to do it. I also have a home in Arizona where they allow these, and it is a nightmare with noise, fire pits, and lights on all night. I have no problem with allowing a little bit of income here and there, but a whole house like that turned into a hotel destroys the neighborhood. Meleana Hunsaker – I am a founding member of this home. My family is here and in the last year my family has purchased this residence and it's allowed me to see my family. We looked for a home where we can all sit together and eat together. At this residence we can have all 27 or our family members stay in one place. It's not 30 rooms, it's only 5. Hotels won't allow children to stay alone, but we

can all stay in an Air B & B. I don't have a solution, and this is a tough one. But I am happy that my family is here and that now I get to see them. Maria Twitchell – I want to clarify the statement by Don Oswald. Yes, we have identified 900 of these in Iron County. But we can't track who the owners are and whether they are compliant. With Air B & B the State collects the tax and redistributes it, so we're not sure who is submitting from the B & B. Home Away, and some other groups don't have an agreement with the State. So we try to figure out who they are. I wanted to clarify this. Eric Jorgenson – I live in the Ridge Road subdivision where there is the large Air B & B. Why allow it when the majority of CC & R's prohibit them? I don't understand why the City allows this. If the real estate agent doesn't disclose the CC & R's to a buyer, they think they can put up a hotel. I view the ordinance as contradicting a binding contract. Why have such explicit language? Tyler – The Air B & B's have already been in operation, but there was nothing on the books. That was changed in May with the passage of the ordinance. The purpose was to require people having an Air B & B to have a City business license and make sure they were paying taxes. The City cannot be held to CC & R's. It's up to the purchaser to be aware of everything they can do with their property. Ron – The County told me that the Royal Hunte subdivision has no filed CC & R's. Eric – I got the document on their website. Ron – That's for Royal Hunte clubhouse, not the subdivision. That's all that's on file at the County. Eric – I'll email you a copy. Courtney Braithwaite – I live across the street from that home. It is not just about that house. The day of the tour bus there was contact going on with the owners. They are nice people and they have a big house that is nice for the family. But it's scary when they have a lot of people. I live at 955 South Ridge Road. It's close to Cedar High and when I was driving to school this morning I saw 5 houses for sale. I keep thinking it's going to be a problem. I think this house is the starting line but let's move on from that house. Robert Ennis – During the campaign I heard a lot of hearsay that turned out not to be true and this is the same. I would like to be neighbors at the end of this. It's \$109 for the average rental cost per night. The proposed number was a maximum of 9 guests with the family, maybe move that number up to 12 for large families. That is a lot of money coming into the community and these people spend money at our restaurants, etc. I propose we do what is good for the community and not just the neighborhood in question. Randy Allen – This is an issue of fairness. We should have residential areas that are not pocketed with commercial businesses. I don't think Council is just after taxes, but you need to tinker with the laws. They are not saying ban these for perpetuity, but let's pull back. We can all sense that renting a house with no restrictions is not good. The City Attorney is great and he believes that the R-1 zone allows this as it is written now, so I'm sure you would agree that you need to change it. Don't put it on the HOA's, as that is a difficult fix. Some have CC & R's that address this and they are powerful and strong. But some are older and don't provide the means to restrict this and you can't change them like you can change the ordinance. I feel the residents are right to look at the intent of the ordinance. I think we should fix the ordinance to reflect how it was meant to be and not say HOAs can fix it because they often can't. Amy Holms – I live in an R-1 zone and I am also a host of an Air B & B. How many are in currently operating in R-1 zones? If you change the rules, what do I do if I can't operate my business? I'd have to rent the house out to pay the bills. If I lease it out for 6 months or a year, the yard won't be taken care of, there will be broken down cars, you'll still have the cops show up and all the

noises and problems of long term rentals. For an Air B & B you may have strangers in for a couple of nights or a week. If you rent out the property it would be 6 months to a year. You need to think about that. Gordon Goodall – I am president of the HOA at Mesa Hills and we are working with an attorney to address the Air B & B complaints. There are police calls, etc., and it's unacceptable. It's not easy to use the CC & R's to correct these problems, but we are working with an attorney. When I look at the definition of the R-1 zone, I can't believe the City would allow short term rentals in an R-1. I hope Council takes a hard look at this. We've spent a lot of money for our homes and we want quiet and beauty. You can always change the laws and we need to protect the R-1 zone. Linda Balduck – I live 3 houses from this home. When we purchased our house, it was going to be our forever home. I want the quietness of our neighborhood back. My grandkids like to ride their bikes and I don't want to have to sit on the porch and watch them. Elizabeth Woodward – I've never stayed in an Air B & B and I'm not a host but I know people who have, and it's my understanding that they require a strict policy that hosts and guests rate each other, so if it's not a nice home it will be rated poorly. The majority of guests are here to go to our parks and see the plays and so they're not around much. Prior to this debacle of this large home was this an issue? For those who have grandchildren, they are not quiet, we all have family. How much are we imposing on personal property rights? Trish Anderson – I live in an R-1 zone and I have a large home in Mesa Hills. There is a need for people to have a place to stay. I have a 15-year-old daughter and she is always there at my home. These other people come and stay and then leave. If you have a bad renter you can deal with it. We can't control who is renting these short term rooms. If they rate each other that's fine, but they don't say what is happening to the families that live around there. It's unfair for the families that bought there and want an R-1 district, believing that the neighbors know each other and will keep each other safe. We need to look at it as a safety issue on the parents' side. James Howells – I live at 648 South Ridge Road in an R-1 zone. I live in Western Estates and we have different CC & R's. We purchased our home in 1997 and we looked for 8 months before we chose it. In part, we chose it because of the R-1 zoning as it was residential only, no apartments, and no twin homes. The City changed all that in May when they approved short term rentals in R-1 zones. Others has spoken about the affordability of Cedar, and Las Vegas and California have found out about it. Cedar City is a cash cow. Others have mentioned this. Anyone can turn a large home into an Air B & B. This will affect my property value and this is the largest investment that I have. The City made a mistake by making a blanket allowance. They are commercial operations. You can parse a boarding house or lodging however you want. I ask that Council rescind the ordinance, at least, until the whole picture can be looked at. Kathy Hunsaker – I am the owner of the terrible house that is being discussed. We purchased it because we have 32 members of our family that we wanted to get together as often as we could. We want to be good neighbors and we want them to feel safe. I feel that a lot that is being said about the house is being embellished and is a false reality. The swim team wanted to use the house because they needed a safe place for the students. When my family goes on vacation we always use this type of rental, and they are in R-1 zones the majority of the time. People asked us if we would be willing to do this, so we went to the City and got a license. The sites are very strict with us and we put the house on the sites, so insurance and the taxes are paid. Most are

families that stay at our house. We only rent it out 20% of the time. It's not every night. Almost all my neighbors have said they've stayed at one of these.

Marion Allen – I live in that area. I am sad that this had to come to a head. It's mainly because of a change in May. It opened up a box of worms, and that's why we're here. If the homeowner is there at the residence and has control of the renters it would be good. You brought this upon us at this time and you have the power to change it to where it was. Compromise means not everyone gets what we want but what we can live with. The rule in the beginning with the limited occupancy with parking and so forth was well thought out by people on the Council before you and should be honored. Times are changing and you're not powerless and can make it work for the benefit of all of us.

Russell Olsen – I bet if you see me around town I'm always with my little girls and my family and I live in this neighborhood. If you look at the website that house holds 30 per night. That is over 200 people a week and the volume of strangers there is worrisome. There are good people but there are also criminals out there and people who prey on children. I don't want to relegate my kids to the back yard. If one child is hurt it will destroy families, and let in not be our family, or the families that chose an R-1 zone. It sounds like you aren't even collecting room taxes on these. Hotels are being hurt, let's get back to original intent and protect our children. Nick Braithwaite – I live in an R-1 zone. I can't add a lot but something that is clear is that is an unresolved conflict

between the two ordinances: the R-1 zone and the short term rentals. Clinging to the definitions doesn't seem like a good option. You need to look at both and find what will work. Maybe allow them under a home occupation. Christine Marks – I live on Ridge Road. The R-1 zone prohibits the size of residential rentals to reduce rentals and the people coming and going. This is not a safe feeling. Jamie Peterson – My concern is with the lack of supervision. Those who live there, it feels safer to me, that they would be in charge and take control if there is an issue with their renters. I'm also concerned about the sheer number of people in the future. I would love to know that someone who lives there is there to take care of issues. Enoch Seegmiller – I have a unique perspective. I've been in hotel industry for 10 years, and started out in Air B&B's and I understand the plight of the residents. Regardless of what decision you make there are unintended consequences. They may be that there is a lot of trust lost from those that voted you into office, whichever way you go, some of the trust is going to be broken, either by those living in the R-1 zone or those that think it is their property right. I personally have no beef with Air B & B's and I think it's great to have homeowners have the privilege to meet people from all over. Julie DeForest – *Iron County Today* – I was at the meeting where this ordinance was put in place. It was my impression that because people were running these short term rentals already, and operating without a City license, the ordinance was an attempt to regulate this. Tyler – There was no regulation at all. Julie – So the intent was to monitor them? Tyler – Correct. Denise Beacham – I have been running an Air B & B in my home and it's a great opportunity to share Cedar culture and to learn from those who stay. I have kids. I wouldn't bring people in that would hurt kids. Please respect my rights to use my home in the best interest of my family. All my neighbors know I do Air B & B, because I've told them, and I want them to be comfortable. This didn't have to become a City Council thing. It could have been resolved by the neighbors.

Jim Howells – There's lots of talk about the Hunsaker place, but what that did is bring the issue to the forefront. It's time the City addresses this seriously and it's not a simple matter. Norm Forbush – I live on Ridge Road and I challenge the Hunsakers to keep the residence as family only, and come and live in their home, problem solved. We do have a problem with Air B & B's but we need to respect the R-1 zone and have the family orientation in our neighborhoods. Jay Chapman – I live on 1850 West. The ordinance probably needs to be reviewed. The number of people wanting to maintain the integrity of the R-1 is impressive. We were informed that there were 27 in R-1's in our City. How many made a financial investment based on the ruling that was made here in May? Mayor – In May the Council didn't create the ability to have an Air B & B. To reiterate: The ordinance change in May just required a business license to regulate them. The ordinance made it so the Air B & B's have to follow the same type of rules as the hotels. We didn't create anything that wasn't already in existence. Brad Orton – I live in an R-2 zone on 200 West. In the discussion about business licenses, do they indicate how many parking spaces they have? I don't know if they put that into effect or not. But I urge the Council that if this expands to the R-2 zones that the parking be considered. Scott – They're already in R-2 and R-3 zones and everywhere. Judy Higbee – We all want to live in this beautiful place and the tax dollars from tourism makes this town move. When I opened my B & B, I needed a business license and an inspection with adequate parking in 2003. I hope we can continue to greet our tourists to make Cedar the town it is and continue to be welcoming. We need to include the whole city in how we lodge our visitors. Please don't over regulate this beautiful place. Bruce Green – I live in Mesa Hills. Instead of trying to collect taxes weren't they in violation of the R-1 zone to begin with? And why was action not taken against them? Jim Howells – If short term rentals are not allowed in a R-1 zone, would it still be possible to get a variance to allow them? Tyler – That's not under our ordinance, but it's possible to change it. Randy – Everyone was trying to do some good in May, I think, but to say it didn't change things is not quite correct. If someone says I want to do an Air B & B and now there is an ordinance that specifically allows it, I'd say go ahead. But we need to get it back into balance. The Mayor closed the public hearing. Mayor – This will be on the action agenda for next week. We appreciate you coming and voicing your concerns in a respectful and considerate manner. Thank you to all who have come tonight.

Action.

**CONSIDER A PROPERTY DONATION/GIFT TO CEDAR CITY. KIT**

**WAREHAM:** Kit – This is out at 800 South and Main Street near Wells Fargo Bank. We've been working on the utilities that they need to put in the new family housing complex next to IFA. We needed an easement through this property that is owned by Wells Fargo. They have offered to just donate the property to the City. This would not an easement, it would be a piece of City property. This is on Maple Street and south of Wells Fargo bank. This will allow us to fully improve Maple Street when it's developed and will give a 20-foot utility easement to serve the properties to the east. I don't see a reason not to accept. Craig – I don't see any reason to look a gift horse in the mouth. Scott – Proceed. Terri – We are talking about clear to the street on this property? Kit – I drew the exhibit according to the County records. There is a gap and it doesn't go clear to the street. The street will come out further.

Consent.

**CONSIDER A CALL-OUT LIST OF CONSULTANTS FOR THE CITY**

**MATERIAL TESTING CONTRACT. KIT WAREHAM:** Kit – In your packets you have the results of the bids that were sent out. We do this every 2 years. They do all sorts of materials testing for us and for such things as the Animal Shelter, roads, etc. We can call them out at the unit prices they quoted us. The low bid was Gem Engineering and the second lowest was Watson Engineering. Sometimes we use both testers, when we need to do quality control. Also, at times, we may not be able to get the low bid tester out and then we can automatically go to second low bid. Scott – There was a huge difference in the bids? Why? Kit – There was a huge difference. I'm sure we're getting good quality with the bids we have.

Consent.

**CONSIDER A RESOLUTION RE-ALLOCATING PARKS RAP TAX MONEY AND IMPACT FEES TO TRAILS AND RENOVATIONS AT BICENTENNIAL FIELDS. PAUL BITTMENN:**

Paul – We asked you to do this last winter to finish the lighting project at the baseball fields at the Fields at the Hills. We moved some money that was designated as impact fees up to the Fields at the Hills and we moved some RAP Tax that was allocated to the Fields at the Hills down to Bicentennial to try to spruce it up down there. The good news is the lights are up, and everything's great at the Fields at the Hills. Kit did a great job and saved us \$78,000. The bad news is we had the materials testers go down to Bicentennial Park and they found that the footings and foundation of the existing building are not good. To finish that project they need to raise the existing building, including digging out what's underneath it, and start from scratch, so it will get a little more expensive. We want to move RAP Tax funds to Bicentennial Park and a like amount of impact fees to the trails. Scott – Is this RAP Tax money from 2018? Paul – It's RAP Tax that was allocated several years ago for trail expansion. We've been stymied on trail expansion and haven't made any progress in quite a few years. So if the money could get approved and spent, it would benefit the park and move the money along. The plan is to raise the building and get rid of everything that is there and replace it with a single story building. We'll move most of equipment in that building to the south in some sheds we'll put up behind the baseball fields, closer to the soccer fields, where it's a little more accessible. We'll put up new shade structures over the bleachers, as the existing ones are connected to the building and will come down when the building is torn down. They will also catch foul balls. We'll replace some of the asphalt with sod and move the main waterline that serves the property so it's not in the middle of the parking lot. Eventually we will resurface that parking lot. Scott – That parking lot is in bad shape. Paul – Underneath the parking lot it's good, but the top has cracking. Cozzens - If the base is good, can we do what we did before, Kit? Kit – Yes. Craig – I want to compliment Kit on the ball fields on the hill. The lighting is magnificent. Kit – The supplier made it easy with a plug and play system. Scott – I haven't been by in a week, but is there signage at Bicentennial? Paul – There's a great big concrete monument currently located in the Cemetery. With a grant we got from Iron County we purchased monument signs for our parks and they are all staged behind the Cemetery. We are getting crews out to lay the foundations and we'll be getting them up. Ken – I wanted to

add that Paul is correct, the signage foundations are getting poured next week. Blue stakes has done their work and we'll also have signage along the trails

Terri – If we move funds to the trails is it for new trails? Paul – These funds for the trails would have to go to new infrastructure because they are impact fees. Terri – So we don't have trails designated? Paul - Kit is buying bridges to go over some washes on the mountain bike trails and then we'll move on where to expand trails to next. There's lots of ways we can go and we have the money to do it.

Action.

**REVIEW BIDS FOR THE ANIMAL ADOPTION CENTER. DARIN ADAMS:**

Darin – I have Lt. Millett here with me. He is facilitating the Animal Shelter and is doing a great job. As you can see \$1,550,387 was the low bid and it exceeds the budget of \$1.2 million. We recommend the lower bidder, but we are above budget. Paul has spoken with CIB about obtaining additional funding. Our fundraising has not gone as quickly as we had hoped. When the structure starts to go up, the donations could increase. We do need a new facility and we need it quickly. Cozzens – Grass Creek Construction is the low bid. I've never heard of them. Are they here? Spencer – I am the president and owner of Grass Creek Construction. I come from a long line of construction people. My grandfather was the founder of Layton Construction. I started my own company 18 years ago and I live in St. George. We are a smaller firm with lower overhead. We have built many structures that are more complicated than your Animal Shelter. We will provide any referrals needed. This will be the second project in Cedar City and we are excited that we were the low bid. There is some value engineering we've looked at to see what we can do to keep the integrity of the building and save money. We'll put those ideas together in the next days. Scott – Why is there such a difference between the estimates and the actual bids? Spencer – The shortage of labor and the excessive amount of work available is probably a reason. There's lots of subcontractors that don't need the work. We have some subs that have worked with us and that helped us. Cozzens – Can you provide a list of projects and past clients?

Darin – We will sit down and go through more value engineering and give it to you this week if you want to proceed. Paul – Are we all in or when can we say stop, and this is it.

If we are all in, we'll exercise additional options and find more funds or more savings.

Scott – If we don't proceed with this then we've paid money to architectural firms and it will start all over again if we decide to do it in the future. Cozzens – In the crash of 2008, one job was the Coal Creek Department of Natural Resources and it was built for

\$500,000 and would be 3 times that today. There is some softening in the market in California and we could wait. We'd still have the plans. I know you don't want to hear that. Scott – Their bid is good for 30 days. Mayor – And we've had donations and would have to address returning those. Scott – I'm not sure how to come up with an extra

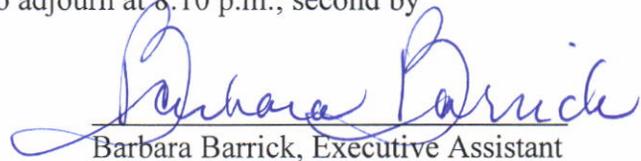
\$300,000. The fundraising committee has raised \$10,000. Paul – CIB won't issue any loan unless we have the funds to do the whole project. It also has a pool that they loan out and they accept requests for supplemental funding. Now that we have a firm bid in hand we could go back to them. That would be an option. CIB has time restraints so we couldn't do it until the first part of October. We could use some of our capital reserve funds to get things moving and CIB could reimburse use for all expenses since the loan was awarded last November. If we kick it off now, we could still get reimbursed. Terri –

What is the repayment fund? Paul – The General Fund. The payments would be \$65,000 a year and with the extra \$300,000 added, the payments would still be under \$100,000. Even with the value engineering, the cost is going to be closer to 1.45 million. Cozzens – As a disclosure, I've been out of town and this project may have come across my desk and my company may have bid it.  
Action.

**CLOSED SESSION – PENDING LITIGATION:** Council Member Isom moved to go into closed session at 7:51 p.m.; second by Councilmember Hartle ; roll call vote as follows:

Ron Adams	-	AYE
Paul Cozzens	-	AYE
Terri Hartley	-	AYE
Craig Isom	-	AYE
Scott Phillips	-	AYE

**ADJOURN:** Councilmember Isom moved to adjourn at 8:10 p.m.; second by Councilmember Hartley; vote unanimous.

  
Barbara Barrick, Executive Assistant